

The Honorable Michael K. Powell  
Chairman  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

Dear Chairman Powell:

My name is Carl J. Gnadinger Jr., and I am the CEO and president of Louisville Telecom, LLC, in Louisville, Kentucky. We began business in 1999 and presently serve customers living in Louisville, Ky, Southern Indiana, and many of the surrounding rural communities in Kentucky. We also do a fair amount of web hosting for customers throughout the nation.

We offer many services that our local phone company, Bellsouth, does not. Services like dedicated IP addresses for businesses, and real live human being tech support 24 hours each day, 7 days each week.. We also provide unmatched service whereby we physically would go to a nursing-home, and set up internet access to those who are locked in, but yet wish to enhance their lives by traveling the internet.

When we opened for business we started, as many ISPs did, with PRI (Primary Rate ISDN) from Bellsouth. From the very beginning, there were massive problems with Bellsouth unable to keep our PRI up and running. Our network always seemed to be going down and needless to say, during that period, we lost new customers almost as fast as we gained them. Fortunately for Louisville Telecom, there was a local CLEC (Competitive Local Exchange Carrier) that understood and practiced good customer service. We were able to move all of our services (PRI) to the CLEC and were finally able to stabilize our network to provide the service level we originally intended upon starting Louisville Telecom. During the past 2 1/2 years of service with the CLEC, we have suffered only one (1) single outage on a single PRI of only a 30 minute duration. With the move to the CLEC, service improved to stellar levels, and our cost of doing business has dropped dramatically. Service from the CLEC has been nothing short of superb.

Unfortunately, I can't say the same about DSL. The CLEC we work with has chosen not to enter the DSL business. If we want to offer Internet access over DSL to our customers, we must do it through Bellsouth, and the prices Bellsouth has offered us make it impossible for us to compete. We are expected to pay about \$40 per month for the data line to reach the customer, and turn around and compete with Bellsouth, which is offering reconfigured phone lines, internet access and free \$200 modems, for \$50 per month.

There is no way we can offer this product without losing money, and so we have stayed out of the DSL market. Unfortunately this also means that we are losing customers, either to Bellsouth for DSL or to the cable company, since more and more of our customers are demanding faster access and if we can't provide it, they'll go to someone who will. If that trend continues, Louisville Telecom will not be around much longer. A side note here is that we also have quite a few customers who, so far, are refusing to deal with Bellsouth for their broadband connection, and are waiting very patiently for us to offer DSL.

I do not have the resources to fight the tariff that Bellsouth has filed that allows it to get away with charging ISPs a wholesale rate of about \$40 for access to the network. I believe the true cost is probably a great deal

less than that. However, I also do not believe that the answer to this problem is simply to allow Bellsouth to stop selling access to the network at all, or to take away the requirements that are supposed to be preventing Bellsouth from discriminating.

The answer is for the FCC to make a good faith effort to uncover the discrimination (whether it is in pricing or provisioning) and put an end to it. Until the FCC has demonstrated that it is willing to do this for Independent ISPs, any talk about lifting the rules for monopolies like Bellsouth is premature. After all, what if the only grocery stores in your town were all RBOCs? That is basically just what Bellsouth and the other RBOCs are proposing here.

I hope that you will take my comments seriously - I am sending a copy of this letter to my Congressman as well.

Sincerely,

Carl J. Gnadinger Jr.  
4521 S. 2nd Street  
Louisville, KY 40214

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